



Legislation Text

File #: 19-956, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Change Order #1 to Contract 19-097, Navistar Parts and Repairs, to Rush Truck Centers for an amount not to exceed \$70,000 and a total award of \$160,000

DEPARTMENT: Department of Public Works

SUBMITTED BY: Richard Dublinski, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The City operates a fleet of approximately 50 Navistar vehicles such as aerial bucket trucks, plow trucks and ambulances. The Department of Public Works - Fleet Services (DPW) is responsible for maintaining and servicing vehicles in-house using OEM Navistar parts kept in inventory. When the repairs cannot be made in-house, the vehicles are taken to Rush Truck Centers for warranty repairs and service. Rush Truck Centers has been designated by the manufacturer as the local authorized distributor for Navistar parts, certified service and warranty repairs in the Chicagoland area. Due to warranty constraints and the proprietary nature of Navistar vehicles, certified service and warranty repairs must be performed by an authorized dealer. The City Manager awarded Contract 19-097 to Rush Truck Centers on March 4, 2019 for a one-year term from March 1, 2019 to February 29, 2020.

DISCUSSION:

As units age, the cost of repairs increases. Thirty of the units serviced under this contract are more than ten years old. During the first seven months of this contract, \$90,000 has been spent on Navistar parts and repairs on units ranging in age from 11 to 13 years old. Approximately \$35,000 has been spent on major repairs on eight units with an average cost of \$4,175 per repair visit. Major repairs performed includes the replacement of fuel injectors with remanufactured injectors, repairs to an air conditioner compressor, corroded oil pan, oil cooler assembly, exhaust manifold, muffler, and brakes.

This change order is requested to provide additional funding for anticipated Navistar parts and repairs through the end of February 2020.

Prior to the end of the current contract, DPW will assess the age of the Navistar fleet, anticipated vehicle replacements and historical repair cost trends to develop the budget for the next Navistar parts and repair services contract.

FISCAL IMPACT:

CIP #:

Navistar parts and repairs are expensed to the equipment parts and equipment maintenance accounts listed below. A total of \$1,351,660 has been budgeted for fleet parts and repairs in 2019. The requested change order of \$70,000 is within the proposed budget amount for this expense.

Account Number	Fund Description	Total Budget Amount
31351100-541402	General Fund	\$886,660
31351100-531303	General Fund	\$500,000